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Trends in Military Industrial and Scientific Research Activity

China continues to hold a tight rein on overall defense spending, but seems to be according greater priority to defense-related research and development. Beijing has clearly been dissatisfied with the slow pace of many of its military industry programs which have been plagued by inadequate management, a lack of infrastructural materials, a dearth of instrumentation and test equipment, and too few trained technicians and scientists.

In response to some of these problems last year China established the National Defense Science, Technology and Industry Commission (NDSTIC). The commission is reported to be the focal point for a major redirection of military industrial and scientific resources The NDSTIC which is directly under the State Council, has considerable influence in the selection and purchase of dual-use technologies and the authority to channel them quickly to high-priority projects.

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At a recent conference of the NDSTIC, Defense Minister Zhang Aiping repeated earlier calls for importing advanced technologies to spur modernization of China's defense industries. Over the past year China has embarked on an especially ambitious program to upgrade and expand the electronics industry through extensive organizational reform and large-scale purchases of foreign equipment and technology. Highest priority has been directed toward establishing a modern semiconductor industry to support an expanded computer development and manufacturing program in China. Vice premiers Wan Li and Fang Yi lead a new State Council group that has been formed to monitor the development of

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computers and large-scale integrated circuits. Zhang praised the electronics industry as having a key role in the modernization of national defense and of the national economy as a whole. In an earlier reference to electronics development, Zhang commented that China must learn to conduct war on screens.

The equipment and materials needed to produce the types of sophisticated weaponry that China seeks involves a wide range of manufacturing disciplines which would also have to be upgraded. Among these are advanced composite materials technology, non-ferrous metals processing technology, special steels, fiber optics, propulsion materials technology, and electronic systems design technology for various configurations. China's awareness of these infrastructural constraints appears to have been a motivating factor in its recent decision to limit additional defense industrial expansion and to concentrate instead on upgrading existing facilities. It is expected that China would additionally seek the advice and assistance of a potential weapons technology supplier to insure that these plant improvements would meet downstream requirements.

The key areas in China's priority defense list in which US superiority in research, test, and manufacturing are sought include advanced aircraft engines, avionics, air-to-air missiles, land-based and airborne radar, antitank guided missiles, surface-to-air missiles, torpedoes, and aerial reconnaissance systems. Zhang Aiping in a March 1983 article singled out nuclear weapons and ballistic missiles as areas for priority spending. It is unlikely that China seeks assistance in strategic weapons or intends to make large purchases of any conventional arms, but will concentrate instead on coproduction arrangements and subsystems manufacture, in selected weapons technologies. For the first time publicly, in fact, another article written by Zhang for the highly authoritative Liberation Army Daily (20 August 1983) cites the need for setting up joint ventures and cooperating with foreign countries in the research and production of modern weapons.

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